



## California-American Water Company (Cal-Am) General Rate Case – D.18-12-021

### *What Does D.18-12-021 Authorize for Cal-Am?*

#### **Increases in Operating Costs in the Following Areas Required Increases in Utility Revenue to be Recovered in Rates:**

- Water supply costs (purchased water, pump taxes, purchased power, Chemicals)
- Water infrastructure: Mains replacement, plant improvements
- Payroll
- Other - Rent, Insurance, Purchased services

#### **Cost Increases Require the Following Increase in Utility Revenue:**

- 2018: \$2.90 million (9.18%) above authorized 2017 revenues
- 2019\*: \$1.59 million (4.63%) above authorized 2018 revenues
- 2020\*: \$1.44 million (4.00%) above authorized 2019 revenues

\*Revenue increases for 2019 and 2020 are estimated using escalation and inflation factors. Actual increases may vary based on current inflation estimates.

#### **Cal-Am's 2018 Revenue to be Recovered in Rates - \$9,179,656**

#### **Authorized Rate Design Changes:**

- 11% more revenue from Tier 1 consumption

#### **2018 Balancing and Memorandum Account Recovery:**

- \$18.9M (8.5%) to be recovered company-wide by surcharge
- \$7.2M (3.2%) tax credit to be refunded company-wide by surcredit





## *What Are the Residential Bill Impacts Based on Adopted Revenue Increases?*

Monthly Service Charge by Meter Size	Present Rates	2018	2019	2020
<b>5/8-inch</b>	<b>\$9.89</b>	<b>\$9.63 (-2.6%)</b>	<b>\$10.23 (6.2%)</b>	<b>\$10.64 (4%)</b>
<b>3/4-inch</b>	<b>\$14.84</b>	<b>\$14.45 (-2.6%)</b>	<b>\$15.35 (6.2%)</b>	<b>\$15.96 (4%)</b>
<b>1-inch</b>	<b>\$24.73</b>	<b>\$24.08 (-2.6%)</b>	<b>\$25.58 (6.2%)</b>	<b>\$26.60 (4%)</b>
Water Usage Quantity Rate				
<b>Tier 1 0 to 11 Ccf</b>	<b>\$2.4003</b>	<b>\$2.9001 (20.8%)</b>	<b>\$3.0324 (4.6%)</b>	<b>\$3.1537 (4%)</b>
<b>Tier 2 11+ to 23 Ccf</b>	<b>\$3.0002</b>	<b>\$3.4119 (13.7%)</b>	<b>\$3.5675 (4.6%)</b>	<b>\$3.7102 (4%)</b>
<b>Tier 3 23+ to 170 Ccf</b>	<b>\$3.6293</b>	<b>\$4.1284 (13.8%)</b>	<b>\$4.3167 (4.6%)</b>	<b>\$4.4894 (4%)</b>
<b>Tier 4 Over 170 Ccf</b>	<b>\$5.5442</b>	<b>\$6.3461 (14.5%)</b>	<b>\$6.6356 (4.6%)</b>	<b>\$6.9010 (4%)</b>

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 9 ccf (1 ccf = 748 gallons) every month will see an increase in their monthly bill from \$31.49 in 2017 to \$35.73 in 2018. The same bill is estimated to be \$37.52 in 2019 and \$39.02 in 2020, resulting in an overall 23.9% rate increase over 3 years.

### *Where Can I Go for Further Information?*

- To review Cal-Am's tariff schedules, go to:  
<https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates>
- To review the Commission's D.18-12-021, go to:  
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M252/K251/252251101.pdf>
- To obtain information on the Commission's General Rate Case Process, go to:  
<https://www.cpuc.ca.gov/General.aspx?id=6442461381>

